

State of South Dakota

SEVENTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 1998

562B0418

SENATE STATE AFFAIRS COMMITTEE

ENGROSSED NO. **SB151** - 1/29/98

Introduced by: Senators Everist, Brown (Arnold), Frederick, and Halverson and
Representatives Peterson (Bill), Brown (Richard), and Hunt

1 FOR AN ACT ENTITLED, An Act to allow lottery prizes for lotteries selling chances to raise
2 money to be of greater value under certain circumstances and to authorize certain larger
3 lottery prizes.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 22-25-25 be amended to read as follows:

6 22-25-25. The game, "bingo", as defined in § 22-25-23 or, lottery, as defined in § 22-25-24
7 may not be construed as gambling or as a lottery within the meaning of § 22-25-1, ~~provided that~~
8 if:

9 (1) The bingo game or lottery is conducted by a bona fide congressionally chartered
10 veterans organization; a religious, charitable, educational, or fraternal organization;
11 a local civic or service club; a political party; a volunteer fire department; or a political
12 action committee or political committee on behalf of any candidate for a political
13 office which exists under the laws of the State of South Dakota;

14 (2) The proceeds therefrom do not inure to the benefit of any individual;

15 (3) No separate organization or professional person is employed to conduct the bingo

game or lottery or assist therein;

(4) No compensation of any kind in excess of the state minimum wage per hour or sixty dollars, whichever is greater, in value is paid to any person for services rendered during any bingo session in connection with the conduct of the bingo game or in consideration of any lottery. However, the provisions of this subdivision do not apply to games or lotteries conducted in connection with any of the following events: a county fair conducted pursuant to § 7-27-3, the state fair conducted pursuant to chapter 1-21, or a civic celebration recognized by resolution or other similar official action of the governing body of a county, municipality, or village;

(5) No prize in excess of two thousand dollars is awarded at any one play of bingo and no lottery prize is in excess of ~~eighteen~~ fifty thousand dollars in value. However, a lottery prize of eighteen thousand dollars or less in value may also be given to a person who sells a winning lottery ticket or share as long as the winning lottery ticket or share is selected at random. The provisions of this subdivision do not apply to any lottery prize if the organization authorized under subdivision (1) of this section that is conducting the lottery has proof of insurance in a sufficient amount to cover the prize;

(6) The organizations authorized under subdivision (1) of this section, before conducting a bingo game or lottery give thirty days' written notice of the time and place thereof to the governing body of the county or municipality in which it intends to conduct the bingo game or lottery, and the governing body does not pass a resolution objecting thereto. However, any organization that conducts a lottery and tickets or shares for such lottery are sold state-wide shall provide written notice of such lottery pursuant to this subdivision only to the secretary of state and to the governing body where the drawing for such lottery is held. A municipality pursuant to § 9-29-5 may by

1 ordinance prohibit within the municipality the sale of lottery tickets or shares for such
2 lottery issued pursuant to this section; and

3 (7) No organization authorized to conduct a bingo game or lottery under subdivision (1)
4 of this section may enter into any lease or agreement with any other person or
5 organization to provide equipment or services associated with the conduct of a bingo
6 game or lottery. However, this subdivision does not apply to any lease or agreement
7 with a distributor licensed pursuant to §§ 22-25-28 to 22-25-51, inclusive, to provide
8 bingo or lottery equipment and supplies.

1 **BILL HISTORY**

2 1/21/98 First read in Senate and referred to State Affairs. S.J. 142

3 1/28/98 Scheduled for Committee hearing on this date.

4 1/28/98 State Affairs Do Pass Amended, Passed, AYES 9, NAYS 0. S.J. 226